

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Annual Assessment of the Status of	)	MB Docket No. 12-203
Competition in the Market for the	)	
Delivery of Video Programming	)	

**COMMENTS OF  
Pasadena Community Access Corporation (PCAC)**

**Pasadena Community Access Corporation (PCAC)** submits these comments in response to the above-captioned Notice of Inquiry (“NOI”), released July 20, 2012, seeking “data, information, and comment on the state of competition in the delivery of video programming.”

Pasadena Community Access Corporation (PCAC) is an operating company for the City of Pasadena, California and a non-profit 501(c) (3) organization established in 1983 to provide a means for which individuals or groups may use cable telecommunications to communicate and share information to the citizens of Pasadena. PCAC serves as a production company for the City of Pasadena and provides equipment, instruction, hands-on training, resources and facilities to residents and groups residing in Pasadena and surrounding regions in order that they may distribute and cablecast original, local content on the PEG channels.

PCAC files these comments in support of the preservation of PEG channel(s) and PEG Access as a valuable communications tool and community resource.

**PEG Channel(s)**

The City of Pasadena has two (2) MVPD Providers, Charter Communications and AT&T U-Verse. Charter provides four (4) PEG Channels on all tiers of service. These channels are - KPAS – Government Access Channel 3, The Arroyo Channel – Public Access Channel 32, KLRN - Educational Access Channel 95, and PCC TV – Educational Access Channel 96. It is our understanding that within the next eighteen (18) months, Charter will fully convert to digital. This action will force subscribers to obtain digital conversion equipment. AT&T U-Verse provides access to all four (4) PEG channels on Channel 99. AT&T U-Verse subscribers that are interested in local content must choose from a series of menus and sub-menu options to locate the Pasadena PEG channels grouped with all regional PEG channels.

**Signal Quality**

PCAC concurs with the findings identified in ACM et al, CSR-2186 regarding signal deficiencies and content delivery. As detailed in that Petition, AT&T's PEG product is inferior to broadcast channels carried on AT&T's U-verse system in virtually every way that matters to a viewer. If channels are made less accessible, and are deprived of basic functions viewers have come to expect, many subscribers we now reach will not receive valuable information. It is unacceptable with the technological advances of the 21st Century that local residents would be deprived of easy access to information about the education of our children, dissemination of health information, facilitation of job placement, and emergency alerts.

Currently, PCAC struggles with I-NET legacy issues that cause lengthy signal loss for the PEG channels. Within two (2) months, the PEG channels were not being cablecast on six (6) documented occurrences due to legacy issues and outdated equipment failures.

**High Definition Equipment:**

Pasadena Media plans to take steps to upgrade equipment and must adapt to current technologies that must include HD equipment, while most channels are offered as HD and SD options neither Charter Communications nor AT&T U-Verse has intentions to provide bandwidth for HD PEG Channels. This pretermission continues to widen the separation between the quality of PEG channel content versus other cable channels.

**Impact of Statewide Video Franchising, DIVCA**

In California, local video franchising agreements have been largely eliminated through the passage of a statewide franchise in 2006 called the Digital Infrastructure and Video Competition Act (DIVCA). Similar legislation was passed in 20 other states throughout the country, primarily through the efforts of AT&T and Verizon who had previously attempted to pass national franchise legislation (HR5252 and S.2686). While promising to create new jobs and provide consumers with lower cable bills, the state franchises passed thus far have delivered neither. The result of this legislative shift in California has been largely negative statewide;

1) More than fifty (50) local cable company operated public access studios have been closed in municipalities statewide that were switched to the state franchise (DIVCA) resulting in the loss of local channels and/or local content. Under DIVCA, this local requirement for facility access and support was eliminated.

2) Prior commitments by existing local cable operators to provide PEG services and/or relevant local origination programming has diminished dramatically as the industry shifts to a more cost

effective centralization of services made possible with DIVCA. Under DIVCA, AT&T has no local presence at the municipal level in California and no requirement to meet the public interest requirements common to local video franchises. In California, cable operators have been quick to abrogate to the statewide franchise to compete with AT&T under the reduced public interest obligations. As a result, cable companies have down scaled their local commitments in order to compete with the AT&T strategy of centralization. This race to the bottom has led to the elimination of public/private programming initiatives, municipal I-Nets and other community partnerships that were once the hallmark of cooperative local video franchises.

3) State regulatory agencies are largely rendered ineffective by statewide franchises such as DIVCA. In California, the CPUC was given the task of rubberstamping approvals to applications however, were largely stripped of the authority to enforce potential MVPD violations of DIVCA. As a result, the CPUC can often only direct local municipalities to seek remedies to conflicts through costly litigation, an untenable option for the majority of California cities.

4) The capital restriction for PEG Fee funding written into DIVCA and other statewide video franchises creates a situation where municipalities and PEG providers are no longer able to support the necessary staffing for a community media center to provide successful training and local programming production. This punitive restriction has forced staff reductions and downscaling of services offered by some community media centers and threatens the future of those local channels.

5) DIVCA and other state franchises largely eliminate all local municipal oversight of cable TV

service. A negative consequence of DIVCA is the loss of local control over pricing for basic cable service. Limited basic cable service was intended to be an affordable option for low-income and fixed-income residents and it enables all to have access to the essential local content of PEG channels. Under state-wide franchising and the move to entirely digital delivery platforms, we are seeing a new tier of limited basic service created with a 50-100% price increase. This effectively places the local PEG channels out of reach for many seniors and low-income residents and cuts off their access to local government and educational information and services.

In summary, PEG channels convey relevant and important public information and are a valuable resource for local content including necessary information in times of emergencies, such as national disasters. We rely on PEG channels to provide our communities with content that expresses all opinions and viewpoints.

We ask that the FCC recognize the tremendous value of PEG channels and the need for federal policies that protect PEG Access in the communities we serve.

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